



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866



AUG 24 2006

**GENERAL NOTICE LETTER
URGENT LEGAL MATTER
PROMPT REPLY NECESSARY
CERTIFIED MAIL-RETURN RECEIPT REQUESTED**

Daryl D. Smith, President
Troy Chemical Corporation
8 Vreeland Road
P.O. Box 955
Florham Park, New Jersey 07932

RE: Diamond Alkali Superfund Site, Newark Bay Study Area
Notice of Potential Liability

Dear Mr. Smith:

The United States Environmental Protection Agency ("EPA") is charged with responding to the release and/or threatened release of hazardous substances, pollutants, and contaminants into the environment and with enforcement responsibilities under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. §9601 et seq. Based on the results of previous CERCLA remedial investigation activities and other environmental studies performed at the Diamond Alkali Superfund Site ("Site"), which includes the Lower Passaic River Study Area, EPA has decided to further expand the area of study to include Newark Bay and portions of the Hackensack River, the Arthur Kill, and the Kill Van Kull. This expanded area of the study is known as the Newark Bay Study Area. EPA has documented the release or threatened release of hazardous substances, pollutants and contaminants into the Newark Bay Study Area.

By this letter, EPA is notifying Troy Chemical Corporation, Inc. of its potential liability relating to the Newark Bay Study Area of the Site pursuant to Section 107(a) of CERCLA, 42 U.S.C. §9607(a). Under CERCLA, potentially responsible parties ("PRPs") include current and past owners and operators, as well as persons who arranged for the disposal or treatment of hazardous substances, or the transport of hazardous substances. Based on information that EPA evaluated during the course of its investigation, EPA believes that hazardous substances were released from

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the former Troy Chemical Corporation facility located at 1 Avenue L in Newark, New Jersey, into the Newark Bay Study Area. Hazardous substances, pollutants and contaminants released from the facility into the Newark Bay Study Area present a risk to the environment and the humans who may ingest contaminated fish and shellfish. Therefore, the Troy Chemical Corporation may be potentially liable for response costs which the government may incur relating to the Newark Bay Study Area. In addition, responsible parties may be required to pay damages for injury to, destruction of, or loss of natural resources, including the cost of assessing such damages.

For the first phase of the Newark Bay Study, the EPA is proceeding with a multi-year study to determine an appropriate remediation plan for the Newark Bay Study Area. The study will involve investigation of environmental impacts and pollution sources, as well as evaluation of alternative actions, leading to recommendations of environmental remediation activities.

You are also requested to preserve and retain any documents now in your Company's or its agents' possession or control, that relate in any manner to your facility or the Site or to the liability of any person under CERCLA for response actions or response costs at or in connection with the facility or the Site, regardless of any corporate document retention policy to the contrary.

Enclosed is a list of the other PRPs who have received Notice letters. This list represents EPA's findings on the identities of PRPs to date. We are continuing efforts to locate additional PRPs who have released hazardous substances, directly or indirectly, into the Newark Bay Study Area. Exclusion from the list does not constitute a final determination by EPA concerning the liability of any party for the release or threat of release of hazardous substances into the Newark Bay Study Area. Be advised that notice of your potential liability at the Site may be forwarded to all parties on this list as well as to the Natural Resource Trustees.

We request that you participate in the EPA-approved activities underway as part of the Newark Bay Study. You, along with other such parties, will be expected to both participate in and fund this CERCLA study. For those who choose not to cooperate, EPA may apply the CERCLA enforcement process, pursuant to Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §9606(a) and §9607(a) and other laws.

In February 2004, EPA signed an Administrative Order on Consent (AOC) with Occidental Chemical Corporation (OCC) to conduct a multi-year remedial investigation/feasibility study in Newark Bay pursuant to CERCLA. This study is being conducted by Tierra Solutions, Inc. with EPA oversight. Tierra Solutions, Inc. is an affiliate of the company from which Occidental purchased Diamond Shamrock Chemicals (a former owner of a chemical plant at 80 Lister Avenue in Newark, New Jersey), and is performing the work pursuant to that company's indemnity obligation to Occidental. Be advised that notice of your potential liability is being forwarded to OCC by EPA.

We strongly encourage you to contact OCC to discuss your participation. You may do so by

contacting:

Carol E. Dinkins, Esq.
Vinson & Elkins LLP
First City Tower
1001 Fannin Street, Suite 2300
Houston, TX 77002-6760
Tel. (713) 758-2528
Fax (713) 615-5311
cdinkins@velaw.com

Written notification should be provided to EPA documenting your intention to participate with OCC and settle with EPA no later than 30 calendar days from your receipt of this letter. The result of any agreement between EPA and your company will need to be memorialized in an AOC. Your written notification should be mailed to:

Amelia M. Wagner, Esq.
Assistant Regional Counsel
U.S. Environmental Protection Agency
290 Broadway, 17th Floor
New York, NY 10007-1866

Pursuant to CERCLA Section 113(k), EPA must establish an administrative record that contains documents that form the basis of EPA's decision on the selection of a response action for a site. The administrative record files along with the Site file are located at EPA's Region 2 office located at 290 Broadway, New York, NY on the 18th floor. You may call the Records Center at (212) 637-4308 to make an appointment to view the administrative record and/or the Site file for the Diamond Alkali Site, Newark Bay.

Inquiries by counsel or inquiries of a legal nature should be directed to Ms. Wagner at (212) 637-3141. Questions of a technical nature should be directed to Elizabeth Butler, Remedial Project Manager, at (212) 637-4396.

Sincerely yours,



Ray Basso, Strategic Integration Manager
Emergency and Remedial Response Division

Enclosure

cc: Gordon C. Andrews, General Counsel

PARTIES RECEIVING EPA GENERAL NOTICE LETTER

David M. Cote, Chief Executive Officer
Honeywell International, Inc.
101 Columbia Road
Morristown, New Jersey 07962

President
Prentiss, Inc.
C.B. 2000
Floral Park, New York 11001

Mr. Ralph Izzo, President
Public Service Electric & Gas
80 Park Plaza
Newark, New Jersey 07102

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